Assembly Bill No. 914

	Chief Clerk of the Assembly
Passed the S	enate September 11, 2015
	Secretary of the Senate
This bill	was received by the Governor this day

AB 914

CHAPTER _____

An act to add Section 149.11 to the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 914, Brown. Toll facilities: County of San Bernardino.

Existing law provides for the Department of Transportation and local authorities, with respect to highways under their respective jurisdictions, to authorize or permit exclusive or preferential use of highway lanes for high-occupancy vehicles (HOVs). Existing law authorizes the development and implementation of a value-pricing program consisting of high-occupancy toll (HOT) lanes in various corridors under certain circumstances, pursuant to which vehicles that do not meet the vehicle occupancy requirements for use of an HOV lane may use the lane upon payment of a toll.

This bill would authorize the San Bernardino County Transportation Commission to conduct, administer, and operate a value-pricing program, that may include HOT lanes or other toll facilities in the Interstate Highway Routes 10 and 15 in the County of San Bernardino and, with the agreement of affected transportation agencies, specified extensions and connections into the Counties of Los Angeles and Riverside. The bill would require the toll revenues to be spent for specified transportation purposes and would authorize the commission to issue revenue bonds payable from toll revenues. The bill would require the commission to report to the Legislative Analyst on specified matters within 3 years of commencement of revenue collection from the value-pricing program. The bill would enact other related provisions.

This bill would become operative only if AB 194 is also enacted and becomes operative on or before January 1, 2016.

The people of the State of California do enact as follows:

SECTION 1. Section 149.11 is added to the Streets and Highways Code, to read:

3 AB 914

- 149.11. (a) (1) Notwithstanding Sections 149 and 30800 of this code, and Section 21655.5 of the Vehicle Code, the San Bernardino County Transportation Commission, created pursuant to Section 130054 of the Public Utilities Code, may conduct, administer, and operate a value-pricing program in the Interstate 10 and Interstate 15 corridors in the County of San Bernardino. The value-pricing program may include high-occupancy toll lanes or other toll facilities. The San Bernardino County Transportation Commission may also extend the program to include the approaching and departing connectors on Interstate 10 extending into the County of Los Angeles, as designated by an agreement with the Los Angeles County Metropolitan Transportation Authority, and the connection to the Interstate 15 express lanes project in the County of Riverside, as designated by an agreement with the Riverside County Transportation Commission. The San Bernardino County Transportation Commission may exercise its existing powers of eminent domain pursuant to Section 130220.5 of the Public Utilities Code to acquire property necessary to carry out the purposes of the value-pricing program.
- (2) The value-pricing program authorized pursuant to paragraph (1) may only be implemented upon a determination that the program and the resulting facilities will improve the performance of the affected corridors. Improved performance may be demonstrated by factors that include, but are not limited to, increased passenger throughput or improved travel times. The San Bernardino County Transportation Commission shall make the determination required by this paragraph in a public meeting prior to operation of the value-pricing program.
- (3) The San Bernardino County Transportation Commission shall have the authority to set, levy, and collect tolls, user fees, or other similar charges payable for the use of the toll facilities in the County of San Bernardino, and any other incidental or related fees or charges, and to collect those revenues, in a manner determined by the San Bernardino County Transportation Commission, in amounts as required for the following expenditures relative to the program and for the purposes of paragraph (4):
- (A) Development, including the costs of design, construction, right-of-way acquisition, and utilities adjustment.
- (B) Operations and maintenance, including, but not limited to, insurance, collection, and enforcement of tolls, fees, and charges.

AB 914 — 4—

- (C) Repair, rehabilitation, and reconstruction.
- (D) Indebtedness incurred and internal loans and advances, including related financial costs.
- (E) Administration, which shall not exceed 3 percent of the revenues of toll facilities and associated transportation facilities.
- (F) Reserves for the purposes described in subparagraphs (A) to (E), inclusive.
- (4) All revenue generated pursuant to paragraph (3) in excess of the expenditure needs of that paragraph shall be used exclusively for the benefit of the transportation corridors included in the value-pricing program created pursuant to this section. These excess revenue expenditures shall be described in an excess revenue expenditure plan developed in consultation with the department and adopted and periodically updated by the board of directors of the San Bernardino County Transportation Commission and may include, but need not be limited to, the following eligible expenditures:
- (A) Expenditures to enhance transit service designed to reduce traffic congestion within the transportation corridors included in the value-pricing program created pursuant to this section. Eligible expenditures include, but are not limited to, transit operating assistance, the acquisition of transit vehicles, and transit capital improvements otherwise eligible to be funded under the state transportation improvement program pursuant to Section 164.
- (B) Expenditures to make operational or capacity improvements designed to reduce traffic congestion or improve the flow of traffic in the transportation corridors included in the value-pricing program created pursuant to this section. Eligible expenditures include, but are not limited to, any phase of project delivery to make capital improvements to on ramps, off ramps, connector roads, roadways, bridges, or other structures that are necessary for or related to the tolled or nontolled transportation facilities in the transportation corridors included in the value-pricing program created pursuant to this section.
- (5) To the extent the San Bernardino County Transportation Commission plans to extend the value-pricing program into the Counties of Los Angeles or Riverside, it shall enter into an agreement with the Los Angeles County Metropolitan Transportation Authority or the Riverside County Transportation Commission, as applicable, subject to approval of the board of

5 AB 914

directors of the San Bernardino County Transportation Commission and the board of directors of the affected entity. If the value-pricing program developed and operated by the San Bernardino County Transportation Commission connects to, or is near, similar toll facilities constructed and operated by the Los Angeles County Metropolitan Transportation Authority or the Riverside County Transportation Commission, the respective entities shall enter into an agreement providing for the coordination of the toll facilities operated by each entity.

- (b) (1) The San Bernardino County Transportation Commission shall carry out the program in cooperation with the Department of the California Highway Patrol pursuant to an agreement that addresses all matters related to enforcement on state highway system facilities in connection with the value-pricing program, and with the department pursuant to an agreement that addresses all matters related to the design, construction, maintenance, and operation of state highway system facilities in connection with the value-pricing program, including, but not limited to, financing, repair, rehabilitation, and reconstruction.
- (2) The San Bernardino County Transportation Commission shall be responsible for reimbursing the department and the Department of the California Highway Patrol for costs related to the toll facility pursuant to an agreement between the San Bernardino County Transportation Commission and the department and between the San Bernardino County Transportation Commission and the Department of the California Highway Patrol.
- (c) Single-occupant vehicles that are certified or authorized by the San Bernardino County Transportation Commission for entry into, and use of, the high-occupancy toll lanes implemented pursuant to this section are exempt from Section 21655.5 of the Vehicle Code, and the driver shall not be in violation of the Vehicle Code because of that entry and use.
- (d) (1) The San Bernardino County Transportation Commission may issue bonds at any time to finance any costs necessary to implement the program established pursuant to this section and any expenditures provided for in paragraphs (3) and (4) of subdivision (a), payable from the revenues generated from the program and any other sources of revenues available to the San Bernardino County Transportation Commission that may be used

AB 914 -6-

for these purposes, including, but not limited to, sales tax revenue, development impact fees, or state and federal grants.

- (2) The maximum bonded indebtedness that may be outstanding at any one time shall not exceed an amount that may be serviced from the projected revenues available as described in paragraph (1).
- (3) The bonds shall bear interest at a rate or rates not exceeding the maximum allowable by law, payable at intervals determined by the San Bernardino County Transportation Commission.
- (4) Any bond issued pursuant to this subdivision shall contain on its face a statement to the following effect:

"Neither the full faith and credit nor the taxing power of the State of California is pledged to the payment of principal of, or interest on, this bond."

- (5) Bonds shall be issued pursuant to a resolution of the governing board of the San Bernardino County Transportation Commission adopted by a majority vote of its governing board. The resolution or bond authorizing instrument shall state all of the following:
 - (A) The purposes for which the proposed debt is to be incurred.
 - (B) The estimated cost of accomplishing those purposes.
 - (C) The amount of the principal of the indebtedness.
- (D) The maximum term of the bonds and the maximum interest rate.
- (E) The denomination or denominations of the bonds, which shall not be less than five thousand dollars (\$5,000).
 - (F) The form of the bonds.
- (e) Not later than three years after the San Bernardino County Transportation Commission first collects revenues from the program authorized by this section, the San Bernardino County Transportation Commission shall submit a report to the Legislative Analyst on its findings, conclusions, and recommendations concerning the program. The report shall include an analysis of the effect of the transportation facilities on the adjacent mixed-flow lanes and any comments submitted by the department and the Department of the California Highway Patrol regarding operation of the transportation facilities.
- (f) This section shall not prevent the department or any local agency from constructing improvements in the transportation corridors that compete with the program, and the San Bernardino

—7— AB 914

County Transportation Commission shall not be entitled to compensation for the adverse effects on toll revenue due to those competing improvements.

- (g) If any provision of this section or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this extent the provisions are severable.
- (h) Nothing in this section shall authorize the conversion of any existing nontoll or nonuser-fee lanes into tolled or user-fee lanes, except that a high-occupancy vehicle lane may be converted into a high-occupancy toll lane.
- SEC. 2. This act shall become operative only if Assembly Bill 194 of the 2015–16 Regular Session is also enacted and becomes operative on or before January 1, 2016.

Approved	, 2015
	Governor